

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF MT. OLIVET)	CASE NO. 9918-B4
NATURAL GAS COMPANY, INC.)	

O R D E R

On August 10, 1987, the Commission issued its Order in Case No. 9918 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On May 26, 1992, Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") filed its quarterly gas cost adjustment ("GCA"), which is to become effective July 1, 1992 and is to remain in effect until October 1, 1992.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Mt. Olivet's notice of May 26, 1992 set out certain revisions in rates which Mt. Olivet proposed to place into effect, said rates being designed to pass on to its customers the wholesale increase in gas costs from its suppliers in the amount of 15.74 per Mcf. Mt. Olivet's expected gas cost ("EGC") for the quarter beginning July 1, 1992 is \$3.2215 per Mcf.

2. Mt. Olivet's notice set out a refund adjustment in the amount of 0.16 cents per Mcf. This adjustment is composed of past

refund adjustments that are still in effect. There is no change in the total refund adjustment from the previous to the current GCA filing.

3. Mt. Olivet's notice set out a current quarter actual adjustment in the amount of 16.93 cents per Mcf to compensate for previous under-recovery of gas cost through the operation of its gas cost recovery procedure during the months of October, November and December 1991. The total actual adjustment of 24.38 cents per Mcf, which is designed to correct the current under-collection as well as under-collections from the previous quarter, results in a 16.93 cent per Mcf increase in Mt. Olivet's rates.

4. The combined effect of the above adjustments is Mt. Olivet's gas cost recovery rate ("GCR") in the amount of \$3.4637 per Mcf, which is an increase of 32.67 cents per Mcf from its last approved rates.

5. Mt. Olivet's adjustment in rates set out in the Appendix to this Order, pursuant to the GCA provisions approved by the Commission in its Order in Case No. 9918 dated August 10, 1987 is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after July 1, 1992.


IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after July 1, 1992.

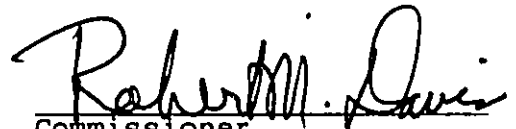
2. Within 30 days of the date of this Order, Mt. Olivet shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 22nd day of June, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9918-B4 DATED June 22, 1992.

The following rates are prescribed for the customers served by Mt. Olivet Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Rates: Monthly

		<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First	1,000 cu. ft. or less	\$2.98	\$3.4637	\$6.45
Next	4,000 cu. ft. per 1,000 cu. ft.	1.2613	3.4637	4.7250
Next	5,000 cu. ft. per 1,000 cu. ft.	1.0613	3.4637	4.5250
Next	10,000 cu. ft. per 1,000 cu. ft.	0.9113	3.4637	4.3750
Over	20,000 cu. ft. per 1,000 cu. ft.	0.7113	3.4637	4.1750